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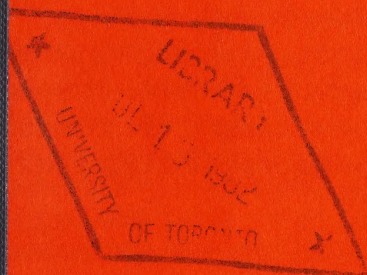
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consumer
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Government
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Ministry of
Consumer and
Commercial
Relations
Ontario

The senior citizen is the favourite target of con artists and unscrupulous merchants. Each year, thousands of dollars are lost to these dishonest people who pose as bank inspectors, home repair specialists, and promoters of get-rich-quick schemes.

There are many laws to protect the consumer, but the senior citizen's best protection is common sense. You've worked hard for your money — don't let someone trick you out of it.

This booklet will give you some tips to help you protect yourself from the con artist and cheat:

- **Ten questions before you buy**
- **Consumer guidelines for you**
- **Seven things to watch for**
- **Handling door-to-door salesmen**
- **Contracts are serious business**
- **How to complain successfully**
- **The Business Practices Act can help you**

Ten Questions Before You Buy

The time to ask questions is before you buy — *not* after. Many misunderstandings can be avoided if you know before you buy exactly what it is that you are buying, and if you are certain you know why you are buying.

Before you buy, ask yourself these questions:

1. Do I really need and want this article? Do I need it now?
2. Is the price what I thought I would pay, or is it suspiciously low? Does the product seem to be good value for my money?
3. Can I afford it?
4. Is this a standard item or do I have a choice? Have I made the best choice when my usage of the item is considered?
5. Is the product well-made?
6. Is it the right size for my needs?
7. What is the guarantee?
8. Where can I get good service and replacement parts if I need them?
9. Can I use the article “as is”, or do I have to make additional purchases before I can use the item?
10. Can I save money by repairing an old article that will do the same job?

Consumer Guidelines For You

Once you've answered these questions to your own satisfaction, the next step is to equip yourself with as much information as you can about both the seller and the product or service. Here are some things to consider:

- be familiar with brand-name goods and their cost so that you can compare merchandise and price;
- deal with well-known, respected firms. Check out the local reputation of a business, especially if it has an unfamiliar name, uses a box office mailing address or has no listed telephone number. Check with your local Chamber of Commerce, Better Business Bureau, or the Consumer Services Bureau;
- find out exactly how much your purchase is going to cost. Does the price quoted include shipping, assembly, insurance, interest charges? Add up the monthly payments if you are buying on time and find out how much the interest payments are going to be;
- when you buy, always get a written receipt at the time of purchase.

Seven Things To Watch For

There are many ways consumers can be cheated in the marketplace, so it pays to be wary and ask questions. Watch out for these common tricks:

Bait and switch

One of the most notorious schemes is called 'bait and switch'. Consumers are 'baited' with, for example, advertisements promising a specific item at a special low price.

However, the sales person will not sell this item, often claiming the quality is inferior. Instead he or she will use high-pressure sales tactics to 'switch' the consumer to a more expensive item. The variations on this theme are endless. Here are some common examples.

Carpets. Some dealers advertise three rooms of carpeting at an irresistibly low price. But as it usually turns out, the three rooms are much smaller than average and the carpeting is of very low quality. This way, the consumer will be pressured into buying better quality carpeting in larger sizes at a significantly higher price.

Bulk meat sales. Extremely low prices are advertised. The butcher then points out that the meat is, for example, 40 per cent fat and tries to sell the consumer leaner meat at much higher prices.

Additional charges for cutting, wrapping and other services may not be mentioned. And the butcher may fail to point out that the bulk order includes many cuts the consumer would not normally purchase as well as a great deal of bone and fat.

Food and freezer plans. Bulk meat sales are often part of a food and freezer plan. This means that, in addition to the above tricks, the consumer also ends up paying for a freezer and often a microwave oven, without the advantage of shopping around and choosing the most appropriate type of appliance before buying it.

'Free' gifts, 'discounts' and other 'specials'

Consumers often fall for promises of free gifts. However, in some cases the consumer must purchase a second item at a price that has been inflated to cover the cost of the free merchandise. In others, the consumer is induced to purchase something he or she wouldn't normally buy.

Words such as 'discount', 'wholesale' and 'factory-priced' are sometimes used to imply low prices when they are actually no cheaper than average.

Appliances. The consumer may win a 'free' radio with the purchase of a dishwasher, for example. However, the price of the dishwasher has been increased to cover the cost of the radio.

Discount certificates and 'cheques' are often tricks to get the consumer to buy certain products, but they rarely result in substantial savings. Often the price has been raised to cover the discount, or the product is not worth more than the discount price anyway.

Magazine sales. Telephone solicitors may tell consumers they have been selected to receive a gift and free magazines for a small handling charge. A sales representative will then visit and talk the consumer into signing a subscription contract.

Self-improvement schemes

As most people are interested in improving themselves, a variety of schemes promise to turn them into more popular and confident persons through dancing lessons, fitness gadgets and programs, beauty aids, and so on.

Too often, consumers are persuaded to sign long-term contracts for activities in which they may soon lose interest. These same activities are usually offered by community centres for more reasonable fees without long-term contracts.

Fitness centres. Enthusiastic consumers are lured by the promise of low-priced introductory deals. They are then persuaded to sign expensive long-term contracts. They may soon lose their interest in fitness, but are still saddled with the payments they agreed to make in the contract.

Social clubs. Some dance studios pretend their businesses are social clubs in order to attract lonely, vulnerable people. They then persuade these people to sign expensive long-term contracts for dance lessons insisting that this will improve their social life.

Mail order miracles. Reducing weight and inches, creaming away facial hair and wrinkles — these are some of the most popular among the instant miracle appeals. Consumers are led to believe that gadgets and chemicals are fast substitutes for legitimate, more reasonable and often safer methods of achieving the desired results.

Before you sign a contract for dance lessons or health exercises, find out for how long the contract runs. Do you want to take dance lessons for five years or use a dating club for three or four years? If you are interested in companionship, there are many excellent senior citizen clubs, community recreation centres, adult education and library programs. The **Senior Citizens' Branch and Office on Aging**, Ministry of Community and Social Services, 4th Floor, Hepburn Block, Queen's Park, Toronto, also has information on programs of interest to senior citizens.

Employment opportunities

Watch out for home employment schemes that require you to purchase machinery or equipment. The company selling the equipment will promise to buy all the products you make on the machine, provided that your work meets certain 'standards'. You'll probably find that your work will never meet these 'standards'. The company isn't interested in buying your work...it's interested in selling machines!

Some so-called job opportunities require applicants to pay for 'job training' before demonstrating and selling the company's product on a commission basis. If it's a genuine job offer, this usually isn't necessary.

Others claim the consumer can earn, for example, \$200 a week at home stuffing envelopes. However, the required investment often brings no more than a leaflet telling the investor how to post a notice in the local supermarket or laundromat.

Home improvements

Among the most frequent consumer complaints are home improvements concerning roofing, siding, paving, chimneys, foundation and insulation. Many of these complaints result from consumers being persuaded to have unnecessary repairs done.

Landscaping. Homeowners in new subdivisions are often the unsuspecting victims of unscrupulous landscapers who sell them bushes, shrubs and trees that are almost dead. They may have been ripped out of the ground without roots.

Lawn top dressing. Claiming that humus is good for grass, door-to-door sellers may persuade consumers to buy large quantities at exorbitant prices. But the so-called humus may turn out to be sawdust and oil.

Similarly, a seller may offer homeowners a package deal for spraying the lawn with fertilizer and weed killer. But the mixture may turn out to be water and water.

Garden products. Some mail order companies make extravagant claims about 'strawberries the size of grapefruit', for example. However, fruits and vegetables will not grow larger than normal in Ontario.

Money frauds

Look-alike invoices. Some businesses send out solicitations for services that resemble invoices for such services, in the hope that people will send payment without questioning these 'bills.' The only way to avoid losing money this way is to check all bills carefully to make sure they are actually invoices before paying them.

Phoney charities. Most fund-raising organizations are legitimate and really help those in need. But some unethical fund-raisers keep as much as 90 per cent for themselves. The most notorious are the 'boiler room' operators who call their 'victims' by telephone and want to pick up the money immediately. Consumers should always check unknown charities with the Better Business Bureau or the Chamber of Commerce before making any donations.

Jewelry buyers. With the high price of gold, the value of old jewelry has risen dramatically. Consumers should be suspicious of anyone coming to their home offering to buy old jewelry. Before selling anything, it is always advisable to have valuables appraised by a reputable jewelry appraiser in order to get a fair price.

The same principle applies to antiques.

Investment opportunities. An 'investment opportunity of a lifetime' offering unbelievably high interest rates should first be thoroughly investigated. If it involves property, it should be personally inspected. Consumers may get fabulous interest rates but lose their capital.

Repair schemes

Television repairs are never a bargain, but it always pays to deal with an established repair shop. Some so-called TV repair people are moonlighters who know little about repairs. They tell consumers their sets must go into the shop. Then they take the set into a competent repair shop and charge the consumer much more than the actual repair cost.

Car repairs. Some unscrupulous car mechanics will quote ridiculously low repair prices just to get the customer to authorize the repairs. The mechanic has no intention of repairing the car at the quoted price and usually charges for all sorts of additional, unnecessary repairs. An established and reputable car repair shop will give quoted prices *in writing* and stick to them.

...and more tricks

Home furniture of a 'transferred executive' is advertised at a very low price. However, the seller keeps restocking the home with highly overpriced furniture and continues to lure in customers with his 'moving' story.

Mail order buying can be the most convenient way of shopping when dealing with reputable, established firms. But a few unethical operators still separate hundreds of consumers from thousands of dollars each year without giving anything in return. Consumers should always order merchandise C.O.D. (cash on delivery); it is never wise to pay in advance for anything.

Even with all the above details, the consumer still has the right to break such a contract by registered mail or by letter personally delivered within two working days after the contract has been signed. A telephone call is no good. This "cooling-off" period applies only when the contract involves more than \$50 and has been negotiated and signed at a place other than the seller's regular place of business, for example, in your home.

Consumers terminating contracts are responsible for returning the goods to the seller immediately at the seller's expense. The seller, in turn, must return all monies received or realized in the transaction and return any trade-in.

Handling Door-To-Door Salesmen

People who come to your door to sell things are another problem that you have to face. They may make a welcome break in your day; they may be friendly and charming; they may often be very helpful; *but* they may sell you something you don't need and take your money!

- Don't be afraid to say "NO". If you aren't interested in buying a product or service from a salesman at your door, be firm. It's your money...you are the one who decides how it should be spent.
- Don't accept any free offer from a door-to-door salesman. It only gives the salesman the opportunity to come back again.
- Don't sign a document or a blank piece of paper just to get rid of the salesman...the paper could be a contract.
- Always ask for identification from a door-to-door salesman. He should have a company card. If you are in doubt about his company, ask him to return later. In the meantime, check with the Consumer Services Bureau.
- **Never** pay cash to a door-to-door salesman. Make your cheque or money order payable to his company.

Contracts Are Serious Business

As soon as you sign a contract, you are legally bound to the terms and conditions set out in the contract.

Never sign a blank contract.

Before you sign a contract:

1. read it carefully, including the small print;
2. make sure you understand everything in the contract as well as the possible results if the contract isn't fulfilled;
3. make sure the name and address of the firm are included;
4. have all verbal agreements between you and the salesman written into the contract;
5. scratch out any terms you find unacceptable and make sure that both you and the salesman initial the changes;
6. if there are still terms and conditions that you find unacceptable, *don't sign!* Never allow yourself to be pressured into signing.

If you have doubts about a contract, don't sign it! Check with a lawyer or the Consumer Services Bureau.

The Consumer Protection Act requires all consumers to have a written executory contract for all transactions over \$50. An **executory contract** is an agreement where all the terms are not fulfilled at the time the contract is signed — e.g.; payment, performance of services, delivery of goods, — and it is not binding if it does not contain the following:

- names and addresses of both the seller and the buyer;
- description of goods sufficient to identify them with certainty or the services to be provided;
- an itemized price of the goods and services with a detailed statement of the terms of payment;
- a statement of warranty or guarantee — if none, the contract should say so;
- the signature of both the buyer and the seller.

Each party must retain a copy of the signed contract.

For more information on the Consumer Protection Act, get the free booklet *a guide to the Consumer Protection Act* by writing to Consumer Information Centre, Ontario Ministry of Consumer and Commercial Relations, 555 Yonge Street, Toronto, Ontario, M7A 2H6.

How to complain successfully

If you have followed all these consumer hints, you will probably avoid the buying pitfalls. Certainly, you'll reduce your chances of making a bad purchase.

Sometimes, however, things just don't work out. When a complaint is justified regarding a product or service, don't hesitate to make it.

First, you should try to get satisfaction from the organization or company from which you bought the product or obtained the service. They may suggest that you deal directly with the manufacturer.

If you have any problems with door-to-door salesmen, contact the Consumer Services Bureau immediately. They'll ask you to fill out a complaint form and will act on your behalf.

Remember that complaining is a business-like way of getting your problem sorted out. Don't use your complaint as an excuse to let off steam or get revenge.

Reputable businessmen and manufacturers welcome complaints. Sometimes it is the first indication they get that something is wrong with their product. Most will respond immediately because they want to keep you as a customer.

Writing is best

When you make a complaint, writing a letter is often the best way of presenting your problem. Write **clearly**; if possible, type the letter. Get two copies of the letter — keep one for yourself and send the other to the Consumer Services Bureau. This will speed the complaint because if you haven't had satisfaction from the company within three weeks, you can contact the Bureau which will already be aware of your problem.

If you are dealing with a local merchant, you may find that a personal discussion with the manager can often clear up the situation quickly. Otherwise, you'll find that a letter is better and avoids the telephone brush-off.

Direct your complaint to the appropriate department of the firm involved; if possible, try to have a name to write to as well as the correct address (i.e. sales manager, president, etc.). You can get this information from directories in libraries.

Complaint Checklist

- Start your letter with a return address.
- State the complaint and say whether it's about money, a product, a service or a function.
- Give details of the faulty article (date and place of purchase, model number, etc.) or of the inadequate service (date, place, names, etc.).
- End the letter by asking for an answer to your problem. (When will I get this fixed?)
- Sign the letter clearly; print or type your name below your signature.

The Business Practices Act Can Help You

If you have been tricked into buying goods or services by a fast-talking salesman, your rights as a consumer are protected by **the Ontario Business Practices Act**. Phone or visit your local Consumer Services Bureau for more information on this Act. You can also get a free copy of *the consumer's guide to The Ontario Business Practices Act* by writing to Consumer Information Centre, Ontario Ministry of Consumer and Commercial Relations, 555 Yonge Street, Toronto, Ontario, M7A 2H6.

Consumer Services Bureaus

250 Windsor Avenue, 6th Floor
Windsor, Ontario N9A 6V9
(519) 254-6413

P.O. Box 2112
119 King Street West, 5th Floor
Hamilton, Ontario L8N 3Z9
(416) 521-7554

139 George Street North
Peterborough, Ontario K9J 3G6
(705) 743-8728

199 Larch Street, 5th Floor
Sudbury, Ontario P3E 5P9
(705) 675-4378

P.O. Box 5000
435 James Street South
Thunder Bay, Ontario P7C 5G6
(807) 475-1641

Box 5600, Terminal 'A'
80 Dundas Street East
London, Ontario N6A 2P3
(519) 679-7150

555 Yonge Street
Toronto, Ontario M7A 2H6
(416) 963-0321

1673 Carling Avenue, Suite 102
Ottawa, Ontario K2A 1C4
(613) 725-3679

Be an informed consumer

The consumer ministry has published a number of other booklets covering a range of consumer topics, such as:

- ☐ Credit and you
- ☐ The Consumer Protection Act
- ☐ Home repairs
- ☐ Car repairs
- ☐ Buying a car
- ☐ Buying a home
- ☐ The Ontario Business Practices Act
- ☐ Tricks of the marketplace
- ☐ Refunds and exchanges
- ☐ The Consumer Information Centre

Copies of these publications may be picked up in person at the Consumer Information Centre, 555 Yonge St., Toronto (Telephone 416/963-1111; TTY/TDD 416/963-0808) or from Consumer Services Bureaus in Hamilton, London, Ottawa, Peterborough, Sudbury, Thunder Bay and Windsor.

For direct mail requests, please check the above publication of interest, complete the following form, and mail to:

Consumer Information Centre
Ontario Ministry of Consumer and
Commercial Relations
555 Yonge St.
Toronto, Ont. M7A 2H6

Name: _____

Address: _____
(street & no.) (apt.)

(city) (prov.) (postal code)

We'd like to hear from you.

The consumer ministry welcomes any comments and suggestions on its information materials, programs and customer services. In this way we can best respond to your needs in the marketplace.

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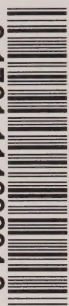
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